

## Message Text

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ACTION IO-14

INFO OCT-01 ISO-00 AF-10 ARA-16 EA-11 EUR-25 NEA-14 RSC-01

ABF-01 OMB-01 TRSE-00 EB-11 AID-20 HEW-08 L-03 COME-00

CIAE-00 INR-10 NSAE-00 SPM-01 DRC-01 /148 W

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P R 102239Z MAY 74

FM USMISSION USUN NY

TO SECSTATE WASHDC PRIORITY 4036

INFO AMEMBASSY SAIGON

C O N F I D E N T I A L SECTION 1 OF 2 USUN 1753

E.O. 11652: NA

TAGS: AORG, UNICEF, VN

SUBJ: UNICEF ASSISTANCE TO VIETNAM

REF: (A) STATE 95945

(B) STATE 95896

(C) USUN 1623

(D) SAIGON 5254

SUMMARY: THIS MSG IN TWO PARTS. FIRST PART SUMMARIZES DISCUSSION BETWEEN LABOUISSSE, EXECUTIVE DIRECTOR UNICEF, AND AMBASSADOR BENNETT. REFS (A) AND (B) ARE RELATED TO THIS PART. SECOND PART IS PROMISED RESPONSE NOTED REF (C) TO PARA 1 REF (D).

PART 1:

1. AMBASSADOR BENNETT MET WITH LABOUISSSE NOON MAY 9 TO DISCUSS U.S. CONCERNS WITH VARIOUS ASPECTS UNICEF PROGRAM IN IVENTNAM. IN RESPONSE TO REQUEST TO BRING AMABASSADOR BENNETT UP-TO-DATE, LABOUISSSE RECITED EVENTS LEADING UP TO PRESENT INDOCHINA PROGRAM, HIGHLIGHTING FACT THAT CURRENT PROGRAM END RESULT OF A PRECESS OF EVOLUTION, THAT MAJOR IMPETUS WAS GIVEN TO PROGRAM WHEN UNICEF EXECUTIVE BOARD AGREED TO SEPARATE INDOCHINA PROGRAM LAST MAY,  
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AND THAT UNICEF INPUT IN DEVELOPMENTS OF PROGRAM DONE

IN ORDERLY SYSTEMATIC WAY.

2. AMBASSADOR BENNETT ARGUED THERE WAS IMBALANCE IN FAVOR DRVN IN DIVISION OF FUNDS BETWEEN NORTH AND SOUTH VIEN NAM AND PRESSED US VIEW THAT THE ALLOCATION OF FUNDS MADE BY UNICEF BETWEEN THE PRG AND SVN GROSSLY DISTORTED THE POPULATION DISTRIBUTION BETWEEN THE PRG AND SVN AREAS; AND THAT IT WAS IMPORTANT TO TAKE STEPS TO CORRECT THIS IMBALANCE. LABOUISSSE POINTED OUT THAT UNICEF UNDER MANDATE TO SERVE THE NEEDS OF CHILDREN REGARDLESS OF POLITICAL AFFILIATION, AND INDICATED THAT DISTRIBUTION OF FUNDS IN INDOCHINA REFLECTED COMBINATION NEEDS AND POPULATION. AMBASSADOR BENNETT EMPHASIZED AGAIN THAT THE ALLOCATION OF FUNDS IN NO WAY REFLECTED THE POPULATION DISTRIBUTION AS ESTIMATED BY THE US., LABOUISSSE SAID HE WOULD HOPE TO GET MORE ON RATIONALE FOR ALLOCATION WHEN HIS FIELD PEOPLE ARRIVE FROM VIET NAM.

3. WHEN ASKED IF IT WAS PLANNED TO USE FUNDS FROM GENERAL RESOURCES (TO WHICH THE U.S. CONTRIBUTES) TO FUND THE DRVN OR PRG PROGRAMS, LABOUISSSE REPLIED THAT I CURRENTLY WAS HIS INTENTION TO ASK \$4 MILLION EACH YEAR FOR 1974 AND 1975 FROM GENERAL RESOURCES TO AUGMENT FUNDS RECEIVED FROM VOLUNTARY SOURCES FOR INDOCHINA PROGRAM. HE STATED THAT BASED ON PAST EXPERIENCE A LARGE PERCENTAGE OF VOLUNTARY FUNDS PROBABLY WOULD BE EARMARKED FOR CERTAIN AREAS (E.G. DRVN, PRG, ETC.); AND THESE EARMARKED FUNDS SHOULD BE SUFFICIENT TO COVER THE NEEDS OF THE DRVN AND PRG. BALANCE OF UNEARMARKED VOLUNTARY FUNDS AND THE GENERAL RESOURCE FUNDS WOULD THEN BE CHanneLED ELSEWHERE ON THE PENINSULA. ON THE OTHER HAND, IF THESE EARMARKED FUNDS ARE INSUFFICIENT, THEN UNEARMARKED VOLUNTARY FUNDS AND GENERAL RESOURCE FUNDS WOULD BE CHanneLED FOR USE IN THE DRVN AND PRG PROGRAMS. HE COULD NOT PREDICT HOW THE PRECISE ALLOCATION WOULD TURN OUT, AND INDICATED THAT UNICEF DID NOT KEEP ITS BOOKS IN SUCH A WAY AS TO SHOW THESE DISTINCTIONS. (THESE REMARKS SOMEWHAT AT VARIANCE WITH REMARKS REPORTED PARA 3 REF (B) HAT IT LABOUISSSE'S EXPECTATION THAT VOLUNTARY CONTRIBUTIONS WOULD BE SUFFICIENT

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FICIENT TO FUND ALL PROGRAMS IN DRVN AND PRG.) AMBASSADOR BENNETT TOLD LABOUISSSE THAT USG ADAMANTLY OPPOSED TO USING GENERAL RESOURCE FUNDS FOR PRG AND DRVN, SUCH ATTRIBUTION MUST BE AVOIDED.(LABOUISSSE DID NOT, HOWEVER, REPEAT STATEMENT NOTED PARA 4 REF (B) THAT IF GENERAL RESOURCE FUNDS WERE GOING TO BE USED US. REPRESENTATIVE SCELSI WOULD HAVE TO MAKE A CLEAR PRESENTATION AGAINST THE USE OF US. FUNDS IN SUCH ACTIVITIES AT MAY 13-24 THE EXECUTIVE BOARD MEETING.

BENNETT EXPLAINED OUR CONCERN THAT PROBLEMS OVER UNICEF AID TO DRVN AND PRG COULD HAVE EFFECT BEYOND VIET NAM AND IMPERIL WIDER AREAS OF AID PROGRAM.

4. LAST PART OF DISCUSSION TURNED ON QUESTION AS TO UNICEF'S PLANS TO DELIVER AID TO THE PRG. LABOUISSSE RECITED DISCUSSIONS UNICEF OFFICIALS HAD WITH PRG OFFICIALS IN HANOI AND ELSEWHERE, INCLUDING DISCUSSIONS REGARDING MOVEMENT OF UNICEF PERSONNEL AND AID SUPPLIES THROUGH SAIGON. HE STATED THAT WHEN UNICEF OFFICIALS NOW ON TDY IN INDOCHINA RETURN HE WOULD BE IN A BETTER POSITION TO ASCERTAIN POSSIBILITIES. HE DID INDICATE, HOWEVER, THAT THERE APPEARED TO BE ANOTHER PORT BESIDES HAIPHONG THROUGH WHICH AID COULD BE MOVED TO THE PRG (PRESUMABLY OTHER THAN SAIGON). USUN WILL FOLLOW-UP TO CLARIFY THIS POINT WHEN UNICEF OFFICIALS RETURN FROM INDOCHINA.

PART 2:

1. REF (D) PARA 1 REQUESTED INFORMATION AS TO HOW APPORTIONMENT OF UNICEF FUNDS ARRIVED AT. FOLLOWING IS INFORMATION REGARDING APPORTIONMENT PROCESS PASSED ON TO US IN SEVERAL APRIL CONVERSATIONS WITH UNICEF OFFICIALS.

2. IN FIRST INSTANCE, UNICEF BASED ON ITS VIETNAM AID PLANS ON MIX OF: (A) SHOPPING LISTS PREPARED BY PRG, DRVN AND GVN AUTHORITIES; (B) ASSESSMENT OF HOW ITEMS ON THESE LISTS FITTED IN WITH UNICEF CAPABILITIES; (C) WITH EXCEPTION OF PRG, FIELD EXAMINATION BY UNICEF PERSONNEL; AND (D) ASSESSMENT OF ASSISTANCE BEING PROVIDED BY OTHER DONORS. PROCESS OF ANALYZING THESE FACTORS BEGAN IN MAY, 1973 AFTER UNICEF EXECUTIVE BOARD AUTHORIZED  
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ACTION IO-14

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ABF-01 OMB-01 TRSE-00 EB-11 AID-20 HEW-08 L-03 COME-00

CIAE-00 INR-10 NSAE-00 SPM-01 DRC-01 /148 W

----- 115168

P R 102239Z MAY 74

FM USMISSION USUN NY

TO SECSTATE WASHDC PRIORITY 4037

INFO AMEMBASSY SAIGON

C O N F I D E N T I A L SECTION 2 OF 2 USUN 1753

UNICEF (WITH U.S. CONCURRENCE) TO RECEIVE AND EXPEND SPECIAL CONTRIBUTIONS WHICH MIGHT BE MADE TO UNICEF FOR ENLARGED PROGRAMS OF ASSISTANCE TO INDOCHINA. AT THAT TIME UNICEF ESTIMATED ON BASIS IN-HOUSE EXAMINATION OF INDOCHINA NEEDS THAT \$30.0 MILLION MIGHT BE TOTAL INDOCHINA REQUIREMENT WITHIN SCOPE UNICEF'S EXPERTISE. 7,8:3\* OFFICIALS INDICATE THAT THIS FIGURE BUILT UP ON COUNTRY-BY COUNTRY BASIS BUT WITH LITTLE CONCRETE EVIDENCE TO BACK IT UP. AT SAME TIME EXECUTIVE BOARD AUTHORIZED \$3.0 MILLION TO AUGMENT ON-GOING INDOCHINA PROGRAM. \$30.0 MILLION SUBSEQUENTLY REFINED AS RESULT JULY, 1973 AND JANUARY, 1974 VISITS TO INDOCHINA BY UNICEF OFFICIALS; AS RESULT REQUEST FOR EMERGENCY ASSISTANCE BY PRG AND GVN FOLLOWING TYPHOON; AND AS RESULT STRENGTHENING UNICEF OFFICE IN SAIGON IN OCTOBER, 1974, AFTER JULY TRIP IT DETERMINED THAT IMMEDIATE NEEDS WERE GREATER THAN \$3.0 MILLION AVAILABLE AND AS RESULT A NUMBER OF GOVERNMENTS WERE APPROACHED FOR CONTRIBUTIONS (NOT ONLY TO MEET IMMEDIATE NEEDS BUT FOR TOTAL PROGRAM AS WELL.) AFTER INITIAL INDIVIDUAL PROGRAMS DETERMINED UNICEF SIGNIFICANTLY REDUCED DRVN PROGRAM( FORM ASSISTANCE TO 800 SCHOOLS TO ASSISTANCE TO 220 SCHOOLS, FOR DOLLAR REDUCTION OF ABOUT 42.0 MILLION), REDUCED PRG PROGRAM BY 20 PERCENT (FROM \$5.0 MILLION TO \$4.0 MILLION), AND INCREASED GVN PROGRAM SOMEWHAT TO PROVIDE MORE CONFIDENTIAL

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CLASSROOM FACILITES THAN ORIGINALLY REQUESTED BY SAIGON UNICEF REPRESENTATIVE. SUM OF THESE ACTIONS RESULTED IN AID LEVELS FOR TOTAL INDOCHINA PROGRAM OF \$44.2 MILLION, OF WHICH THE FOLLOWING FOR VIETNAM:

	1973	1974-1975	TOTAL
(TERMS: \$ MILLION)			
NORTH (DRVN)	\$1.7	\$16.3	\$18.0
SOUTH (GVN			
/PRG)	1.3	14.5	15.8

(GVN) (\$ .8) (\$10.5) (\$11.3)

(PRG) (\$ .5) (\$ 4.0) (\$ 4.5)

THE \$.5 MILLION FOR 1973 FOR PRG WAS PHYSICALLY PROVIDED THROUGH HANOI. IT NOT CERTAIN HOW THE \$4.0 MILLION FOR 1974-1975 WILL PHYSICALLY BE PROVIDED.

3. UNICEF AUTHORITIES POINT OUT THAT AID LEVELS FOR "NORTH" AND "SOUTH" CORRESPOND CLOSELY TO DISTRIBUTION OF POPULATION BETWEEN NORTHERN AND SOUTHERN PARTS OF COUNTRY, AS FOLLOWS:

POPULATION	1974-1975 AID	1973-74-75 AID
NORTH 23 MILLION		
OR 54 PERCENT	53 PERCENT	53 PERCENT
SOUTH 19.3 MILLION		
OR 46 PERCENT	47 PERCENT	47 PERCENT

4. UNICEF OFFICIALS REPORT THAT TOTAL AID PROVIDED VIETNAM BETWEEN 1952, WHEN PROGRAM FIRST AUTHORIZED, AND 1972 WAS \$4.0 MILLION, WITH PRACTICALLY ALL THIS PROVIDED TO SOUTHERN PORTION OF COUNTRY (SOME SMALL AMOUNTS OF AID MIGHT HAVE BEEN PROVIDED NORTHERN PARTS IN EARLY YEARS, BUT THIS CANNOT BE IDENTIFIED). ADDITIONALLY, UNICEF IS EXECUTING AGENT FOR \$.8 MILLION SCHOOL OF SOCIAL WORK PROGRAM IN SAIGON. IN COMPARING UNICEF AID TO "NORTH" AND "SOUTH" THESE FIGURES PROBABLY SHOULD BE ADDED TO "SOUTH". THIS WOULD BE UNICEF BASIS FOR CALCULATION. ON THIS BASIS UNICEF PROBABLY WOULD ARGUE THAT AID IS TILTED TOWARD THE "SOUTH", SINCE PERCENTAGE DISTRIBUTION OF AID VARIES CONSIDERABLY FOR POPULATION DISTRIBUTION, IN FAVOR OF "SOUTH" , AS FOLLOWS:

	(TERMS: \$ MILLION)	PERCENT
NORTH (DRVN)	\$18.0	47 PERCENT
SOUTH (GVN/PRG)	\$20.6	53 PERCENT

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(CURRENT PROGRAM) (\$15.8

(PAST PROGRAM) ( 4.0)

(SAIGON SCHOOL) (\$ .8)

5. WITH REGARD PRG PLANNING LEVEL OF \$4.0 MILLION FOR 1974 - 1975, THIS IS UNICEF GUESTIMATE BASED ON 3 OF 4 FACTORS NOTED PARA 2, PLUS DOWNWARD ADJUSTMENT NOTED SAME PARA. FO745# FACTOR IS FIELD EXAMINATION BY UNICEF PERSONNEL, WHICH TO DATE HAD NOT BEEN UNDERTAKEN. 7,8:3\* OFFICIALS AWARE THAT PRG REQUESTS NEED FURTHER REFINEMENT, BUT FEEL THIS IMPOSSIBLE WITHOUT ON THE GROUND ASSESSMENT. NO ATTEMPT WAS MADE TO ADJUST PRG AID LEVEL TO REFLECT POPULATION DIFFERENCES BETWEEN AREAS UNDER PRG AND GVN CONTROL, SINCE UNICEF OFFICIALS WANTED TO AVOID ANY IDENTIFICATION THEIR ORGANIZATION WITH CLAIMS BY PRG AND GVN AS TO POPULATION UNDER THEIR CONTROL.

6. ANOTHER COMPARISON THAT MIGHT BE MADE BETWEEN

DRVN

AND GVN IS IN FIELD OF EDUCATION PER SE, WHICH IS MAJOR ELEMENT UNICEF EFFORT IN BOTH AREAS (\$15.9 MILLION OR 98 PERCENT OF UNICEF PROGRAM FOR DRVN, AND \$4.5 MILLION OR 43 PERCENT OF UNICEF PROGRAM FOR GVN). \$15.9 MILLION FOR DRVN RELATES TO CONSTRUCTION 220 SCHOOLS, WHICH COMPARES WITH \$4.5 MILLION FOR GVN RELATING PRIMARILY TO RECONSTRUCTION 200 SCHOOLS (AS OPPOSED TO 100 SCHOOLS REPORTED ORIGINALLY; UPWARD ADJUSTMENT REFLECTS FURTHER CLARIFICATION OF TEXT OF UNICEF INFORMATION MEMO BY UNICEF OFFICIALS).

)-4&3 \$9))-4 \$8\*\*343,:3 THESE TWO PROGRAMS FOR APPROXIMATELY SAME NUMBER OF SCHOOLS REFLECTS FACT THAT DRVN SCHOOLS ARE TO BE NEW WHILE GVN SCHOOLS ARE RECONSTRUCTED ONES; AND FACT THAT UNICEF INPUT INTO DRVN SCHOOLS INCLUDES IMPORTED PREFAB COMPONENTS WHILE FOR GVN SCHOOLS GVN AUTHORITIES PROPOSE USING LOCAL MATERIALS, FROM OWN SOURCES.

7. COMMENTC STATEMENTS BY LABOUISSIE AS REFLECTED PART 1 AND STATEMENTS BY BY OTHER UNICEF OFFICIALS REFLECTED PART 2 APPEAR TO BE SUPPORTIVE OF EACH OTHER. ONE EXCEPTION MIGHT BE STATEMENT BY LABOUISSIE THAT DISTRIBUTION OF ASSISTANCE BETWEEN PRG AND GVN BASED ON NEED AND POPULATION, WHEREAS CONFIDENTIAL

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UNICEF OFFICIALS INDICATE THAT POPULATION, AT LEAST WITH REGARD TO SPLIT BETWEEN PRGA AND GVN, NOT A CONSIDERATION. OUR VIEW IS THAT PROBABLY LABOUISSIE IN RESPONDING TO AMBASSADOR BENNETT'S QUESTION REPLIED IN TERMS OF GENERAL PRINCIPLES THAT PERTAIN TO UNICEF OPERATIONS WHEREAS OTHER UNICEF OFFICIALS FOCUSED ON SPECIFICS.  
BENNETT

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## Message Attributes

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